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TO RUEHC/SECSTATE WASHDC 2386
INFO RUEHUL/AMEMBASSY SEOUL 3507
RUEHMO/AMEMBASSY MOSCOW 2385
RUEHTA/AMEMBASSY ASTANA 0061
RUEHBJ/AMEMBASSY BEIJING 6297
RUEHML/AMEMBASSY MANILA 1864
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RUEHKO/AMEMBASSY TOKYO 3178
RUEHBK/AMEMBASSY BANGKOK 1910
RUEHOT/AMEMBASSY OTTAWA 0694
RUEHBY/AMEMBASSY CANBERRA 0312
RUEHSH/AMCONSUL SHENYANG 0560
RUEHVK/AMCONSUL VLADIVOSTOK 0319
RUEHOK/AMCONSUL OSAKA KOBE 0084
RHMFIUU/DEPT OF ENERGY WASHINGTON DC
RUEHLMC/MILLENNIUM CHALLENGE CORP WASHINGTON DC
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RHEHAAA/NSC WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
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UNCLAS SECTION 01 OF 02 ULAANBAATAR 000360

SENSITIVE

SIPDIS

STATE FOR EAP/CM AND EB/IEC
STATE PASS USTR, EXIM, OPIC, AND EPA
MILLENNIUM CHALLENGE CORP WASHDC FOR F. REID
TREASURY PASS USED TO IMF, WORLD BANK
MANILA AND LONDON FOR USED TO ADB, EBRD

E.O.12958: N/A

TAGS: [SENV](#) [EMIN](#) [ENRG](#) [PGOV](#) [ECON](#) [EFIN](#) [EPET](#) [MG](#)

SUBJECT: MONGOLIA'S EASTERN-STEPPE GRASSLANDS FACE CHALLENGES

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¶1. (SBU) SUMMARY: On a visit to Mongolia's eastern steppe grasslands from July 18-21, the Ambassador met with conservationists, government officials and local residents, and heard concerns about the threats to the local habitat and its inhabitants. Temperate grasslands constitute a globally important habitat, and Mongolia's grassland is the world's largest remaining intact habitat of this kind, experts say. However, Mongolia's grassland has shrunk in recent years, due in part to over-grazing and poor pastoral management. The eastern steppe is still home to large herds of Mongolian gazelle, but poaching, desertification and human encroachment are causing their numbers to decline. The destruction of the grasslands has far-reaching consequences, including climate change, species extinction and a strain on the local economy. Earlier this year, The Nature Conservancy (TNC) launched a new conservation strategy in Mongolia that combines eco-tourism and carbon trading with sustainable mineral development and engagement with local residents. END SUMMARY.

¶2. (SBU) Ambassador Minton and Econ/Pol Intern visited Mongolia's grassland in the eastern province of Dornod from July 18 to 21. The Ambassador met with local residents, government officials and conservationists who are active on the eastern steppe. Representatives from TNC; the Wildlife Conservation Society (WCS); and a local NGO, the Eastern Mongolia Community Conservation Association, provided briefings and led an eco-tour in the remote grasslands of the Toson Hustai Nature Reserve. Also present were the Director of Dornod province's environmental protection agency and a ranger from the Nature Reserve.

THE IMPORTANCE OF TEMPERATE GRASSLANDS

13. (SBU) According to experts, worldwide, among the most converted, least conserved major habitats are temperate grassland. Mongolia is home to the largest remaining area of intact temperate grasslands in the world. Temperate grasslands are under-represented in Mongolia's protected area network, but are vitally important for managing climate change. They are also important to local economies, not to mention the survival of many rare species, including the Mongolian gazelle. (Note: Mongolia holds the last migratory herd remaining in Eurasia. End Note.) A successful conservation effort in Mongolia could more than double the area of temperate grasslands in Eurasia and serve as a roadmap for effective conservation in other countries, including Russia and China.

LOCAL HERDER VOICES CONCERN

14. (SBU) The Ambassador visited a local herder's ger (a round, felt shelter used by nomadic herdsman; yurt in Russian). The herder said he believes strongly in conservation but sees the lack of law enforcement as the area's biggest conservation obstacle. He said one ranger patrolling millions of acres is woefully inadequate, adding that he hoped the GOM would do more.

GAZELLE NUMBERS DECLINING

15. (SBU) The Ambassador's party traveled approximately 100 km into remote areas of the eastern steppe. In this area, home of the nomadic Mongolian gazelle, man-made objects such as fences and roads do not exist, and grass grows four feet high. Thirty years ago, the

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gazelle population totaled more than 9 million, but the number now stands at less than 1.5 million. The decline in gazelle numbers is attributed mainly to poaching, desertification and human encroachment. The Ambassador's expedition encountered a herd of about 2,000 Mongolian gazelle, a once common sight but now rarely seen by anyone other than conservationists.

MANAGING CLIMATE CHANGE

16. (SBU) In Mongolia, local herders rely on the grasslands for survival, but poor pastoral management has led to overgrazing, and large areas are succumbing to desertification. Desertification is a problem for local herders, as more compete for shrinking grazing land. The global consequences are just as dire. Because Mongolia's grasslands store large amounts of carbon dioxide, they mitigate the effects of climate change. Like rainforests, but to a lesser but significant extent, temperate grasslands act as the earth's lung. TNC hopes the global importance of this habitat will strike a chord with world governments and businesses so that meaningful action will be taken.

ONE NGO'S APPROACH

17. (SBU) In early 2008, TNC launched a new country program in Mongolia, bringing decades of international conservation experience and in-depth grassland management expertise to the challenges facing Mongolia's grasslands. TNC's pragmatic approach emphasizes collaboration, sustainable use of natural resources, and economic development that is compatible with conservation. The nascent program has already identified poor pastoral management, desertification and poaching as the area's biggest threats. The organization plans to address these issues with partners in business, government, the NGO community and local herders. The million-acre Toson Hustai Nature Reserve, located in the heart of the steppe, is TNC's "anchor site" for learning how to work in Mongolia.

THE ECONOMICS OF CONSERVATION

18. (SBU) Chris Pague, the Mongolia TNC Director, says the real challenge is balancing conservation strategies with human needs.

Eco-tourism is a strategy that has worked in other parts of the world, but the TNC staff is quick to point out that while eco-tourism would be part of their strategy, it is no panacea. They believe carbon trading, engaging local herders and sustainable mineral development are more practical for Mongolia's eastern steppe. Because grassland preservation mitigates the effects of climate change, TNC believes a carbon-trading scheme could be set up. TNC's staff also understands that mineral exploitation is inevitable, and actively engages businesses and the GOM on this issue. TNC hopes that proposed changes to Mongolia's Law on Mineral Resources will include environmental friendly language, and possibly include an environmental investment requirement.

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